deals, if. any, may be kept in view before the purchase. The purchase was made in due consideration-. of this advice.

(b) and (c) No, Sir. There were neither any such vigilance reports containing adverse remarks against the present Managing Director including the period when he was General Manager nor was there any vigilance investigation against him at that time.

(d) No vigilance enquiry against the Managing Director, MSTC was contemplated or was in progress at the time of his appointment as Managing Director,

**Report of Abid Hussain Committee on textile policy**

397. SHRI RAM NARESH YADAV: Will the Minister of TEXTILES be plea-sed to state;

(a) whether it is a fact that Government have received the report on 'Textile Policy Review Committee headd by Shri Abid Hussain;

(b) whether Government have studied the report submitted in this regard; and

. (c) if so, what are the outlines of the future action plan?

THE MINISTER OF TEXTILES WITH ADDITIONAL CHARGES OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV); (a) No, Sir,

(b) and (c) Do not arise.

**चाय के मूल्य**

398. श्री राम नरेश यादव : क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि गत वर्ष के दौरान देश में चाय का उत्पादन कम होने के कारण चाय के मूल्यों में भारी वृद्धि हुई है ;

(ख) क्या सरकार मूल्य वृद्धि को रोकने के लिये चाय के निर्यात पर प्रतिबंध लगाकर स्वदेशी बाजार पर नियंत्रण रखने का विचार रखती है; और

(ग) यदि हां, तो उसका ब्यौरा क्या है।

वाणिज्य और पर्यटन मंत्री (श्री अरूण कुमार नेहरू) : (क) जी, हां।

(ख) जी, नहीं।

(ग) प्रश्न नहीं उठता।

Suggestion of Chief Justice of India to RBI Governor regarding Bank Assistance to young professionals

399. SHRI RAOOF VALIULLAH: Will the Minister of FINANCE be pleased to state;

(a) whether it is a fact that the Chief Justice of India has written to the Governor RBI 'to set aside 2 per cent of the funds of the banks for assistance at low rates of interest to young professionals by treating them as priority sector;

(b) if so, whether Government would examine the suggestion in. view of its scope for development of human resources in the country; and

(c) what is the present system of pro-viding assistance to professionals and at what rate of interest and whether Gov-ernment are satisfied with the outcome?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE); (a) and (b) Reserve Bank of India has re-sported that it has not received any letter from the Chief Justice of India regarding setting aside two per cent of the funds of the banks for assistance at low rates of interest to young professionals.

(c) The Commercial Banks extend loans to professionals and self-employed persons for the purpose of purchasing equipment/repairing or renovating existing equipments and/or acquiring and repairing business premises or for purchasing tools and/or for working capital requirements under the extant guidelines of Reserve Bank of India under the priority sector advances. The main features of the RBI guidelines governing the terms and conditions relating to margin, **seen-**

**rity norms, rate of interest applicable etc. are as under:**

**I. MARGIN MONEY**

| Credit limit | Margin |
|---|---|
| **(i) Credit limit upto and inclisuve of Rs. 25, 000-/.** | **No Margin** |
| **(ii) Credit limit exceeding Rs. 25, 000/-** | **15 to 25% depending upon the purpose and amount of loan.** |

**Where subsidy/margin money isarailable and is not less than 15 per cent of the loan amount, no further margin is required.**

**II. SECURITY NORMS**

| Credit limit | Security required |
|---|---|
| **(i) Credit limit upto and inclusive of Rs. 25, 000/-.** | **Pledge/Hypothecation/Mortagage of asset created out of loan.** |
| **(ii) Credit limit in excess of Rs. 25, 000/-** | **As determined by the banks on merits of each case.** |

In case of loans upto, and inclusive of Rs. 25, 000/- banks have been advised not to ask collateral security/third party guarantee. For loans in excess of Rs. 25, 000/-, collateral security by way of immovable properties or third party guarantee may be asked for only in cases where the primary security is inadequate or for other valid reasons and not as a matter of routine.

III. RATE OF INTEREST APPLICABLE

(i) Short term loans'14. 00—15. 50% p. a. -

(ii) Term loans 15. 00% (Minimum) p. a.

In respect of professionals and self employed persons belonging. to Scheduled Castes/Scheduled Tribes and women entrepreneurs, the rates of, interest are as follows-

*(i)* Advances by way of loans 14. 0% p. a.

(ii) Term loans 13. 5% p. a-.

Reserve Bank of India has reported that as per the latest available data, the outstanding priority sector advances by all scheduled commercial banks as at the end of December, 1987 in respect of professionals and self employed persons work out to 3. 66 per cent of total priority sector advances.

**Debt burden on Jammu and Kashmir State**

400. SHRI SHABBIR AHMAD SALARIA: Will the Minister of FINANCE be [v] pleased to state;

(a) whether it. is a fact that ending March, 1988 there is a debt burden of rupees two thousand crores on the State of J & K and that the State has to pay interest of rupees two hundred crores per annum on that amount; and

(b) if. so, what steps are being taken by the Central Government to lessen this burden so as to enable the State to prog ress economically?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE); (a) According to Reserve Bank of India's Report on Currency and Finance, 1987-88, the debt outstanding against J & K State as at the end of March, 1988 was estimated at Rs. 3143 crores comprising internal debt, loans and advances from the Central Government and Provident Funds